

CHEAT SHEET

Selling a Business

Human Factors to Consider When Selling a Business

Your employees, as well as yourself, will experience emotions and stress during this transfer. Be proactive and consider the human aspect of the process, which is crucial for the successful transfer.



THE SUCCESSOR

- **Cultural Fit:** Assess the alignment between the successor's values and those of your company. A good cultural fit can facilitate a smooth transition.
- **Management Skills and Leadership Style:** Examine the successor's management skills and leadership style. Are they compatible with the current and future needs of the company?
- **Vision for Human Capital:** Discuss the successor's vision regarding human resource management during and after the transfer. Is this vision aligned with the company's culture and employee expectations?

YOURSELF (THE SELLER)

- **Support Network:** Do you have a solid support network to help you during this transition period? This can include coaches, mentors, family members, and other entrepreneurs who have experienced a business transfer.
- **Post-Departure Plan:** Have you planned what you will do after leaving the company? Whether personal activities, volunteering, or new projects, a clear plan can help manage the emotional transition.
- **Ability to Let Go:** Are you mentally and emotionally ready to let go of the company? Reflect on your feelings about this and prepare to transfer the reins smoothly.

THE EMPLOYEES

- **Change Communication:** Develop a clear and transparent communication plan to inform employees about the upcoming change. Ensure the message is consistent and reassuring.
- **Employee Involvement:** Decide the level of employee involvement in the transfer process. Their participation can promote buy-in and reduce resistance.
- **Retention Plan:** Identify key employees and assess the risk of their departure. Implement retention strategies, such as financial incentives or professional development opportunities.

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